Doc. 16 Att. 5

Certified Translation

# NIGLAGLIONI+FERRAIOULI

antonio@nf-legal.com [Marked Exhibit 13]

July 5, 2007

BY CERTIFIED MAIL RETURN RECEIPT REQUESTED 7003 2260 0004 8915 1842

BY TELEFAX NO. (787) 641-4544 BY ELECTRONIC MAIL (sofia.esteves@indianowilliams.com)

American Waste Management & Recycling, LLC c/o Ada S. Esteves, Esq. 207 Del Parque Street 3rd Floor San Juan, PUerto Rico 00912

> Re: Notice of Termination of "Contract for the Purchase of Scrap Metal, Alloys and Other Items"

Dear Ms. Esteves:

We are writing you as counsel for Canopy Ecoterra Corporation (Ecoterra) regarding a certain "Contract for the Purchase of Scrap Metal, Alloys and Other Items" (the Contract) that was entered into by AWMR and Ecoterra. We will make particular reference to prior communication, specifically one (1) email dated May 7, 2007 from Ecoterra to your clients (2) a second email dated June 4, 2007, (3) a letter the undersigned wrote your clients this past June 5, and (4) another email dated June 22, 2007 that I sent you.

Since, at least, this past May 7, 2007 Ecoterra had advised AWMR that the quality of its work, its conduct and the delay in payments due Ecoterra were unacceptable. Their work and behavior were deficient, as they incurred in the undesirable and unacceptable practice of removing material selectively. in spite of having had the opportunity to carry out due diligence for approximately ninety (90) days before signing the Contract. In this communication AWMR was even notified that it was in breach of contract for lack of payment under Section 5(c)(1) of the agreement. Nevertheless, AWMR, in its typically defiant, arrogant and obstinate attitude, disregarded this communication,

The second communication dated June 4, 2007, coupled with the third communication dated June 5, 2007, included a notice of default and termination, once again due to the undesirable and unacceptable practices of AWMR. This conduct includes, but is not limited to:

1. continuing to extract material selectively;

P.O. Box,195384 \* San Juan, Puerto Rico 00919-53843 \* Telephone 787.765.9966 \* Telefax 787.751.2520 - www.nf-legal.com

I, Juan E Segarra, USCCI/Translator, certify that the foregoing is a true and accurate translation, to the best of my abilities, of the document in Spanish which I have seen.

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- 2. violating the confidentiality clause of the Contract;
- 3. committing fraud, deception, and mens rea;
- 4. failing to make payments as agreed in the Contract
- failing to supply the endorsement of the insurance policies as required under the contract with Ecoterra; and
- 6. AWMR has failed to comply with all applicable laws, statutes, and regulations. For example, in spite of being requested several times to provide information regarding the final destination of the materials that were extracted, AWMR, has failed to provide such. This exposes the parties involved to administrative proceedings and monetary sanctions by the Department of Natural Resources and Environmental Affairs (DRN, for its initials in Spanish). AWMR has been notified of this requirement;
- 7. failing to comply with basic safety measures by AWMR personnel, in which, for example, material is thrown from high levels to the ground, which could cause an unfortunate incident:
- 8. and, what is of great concern, the threats of bodily harm and insults that your client proffered against Ecoterra and CEMEX personnel on several occasions;
- 9. AWMR has been advised at all times that the contract with Ecoterra required fulfillment of the contract with CEMEX; and
- once again AWMR failed to fulfill the contract, by failing to fulfill the contract with CEMEX.

This brings us to the fourth communication dated June 22, 2007. In spite of prior notices dated June 4 and 5, 2007, AWMR's obstinate, arrogant, contumacious, and defiant conduct left CEMEX no other option but to notify Ecoterra to paralyze the scrap work under the Contract, indicating that Ecoterra was in default of a contract to which AWMR had adhered. To be sure, for CEMEX, AWMR's breach is reflected on Ecoterra. And in fact, Ecoterra is liable to CEMEX for the negligent acts of AWMR. This includes the fact that AWMR destroyed some of the plant's water lines, which paralyzed the work and the operation of the CEMEX mill. Once again, AWMR was advised that they had done nothing to cure the situation they were advised of on June 4, and 5, 2007.

In view of all of the above, which is not an exhaustive list, Ecoterra is hereby advising you that due to the crass breach of contract committed by AWMR, the contract is hereby cancelled and terminated, as provided in the Fifth clause of the same. AWMR should

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immediately remove all of its work equipment, whether its own or belonging to third parties. Regarding this matter you are advised of the following:

- a) We propose to have CEMEX carry out an inventory of the equipment located on its premises.
- AWMR, once the inventory is completed and confirmed by all of the parties, may remove such from CEMEX premises.
- c) The equipment that AWMR may remove shall be limited to the property of third parties being leased by AWMR.
- d) With regard to some eight (8) containers, these may be removed, with a view to allowing AWMR to mitigate some of the self-inflicted damage due to its continuous breach of contract. However, the containers may be removed without their present contents, since such contents shall be unloaded from the containers, as they were loaded without authorization and this shall be monitored, supervised and authorized both by Ecoterra and Cemex personnel as clearly set forth in parts 4-c, 6-h and Sixth -18 of the contract between Cemex and Ecoterra. Thus, AWMR will be able to remove the containers and deliver them to the shipping company so as not to incur further penalties caused by their extremely deficient work in the dismantling of ferrous and non-ferrous materials.

Finally, Ecoterra is claiming payment by AWMR for all damages caused due to the breach of contract, and all other causes of action to which it has a right, due to the obstinate, arrogant, contumacious, defiant and maliciously harmful conduct of AWMR.

Do not hesitate to contact me. There being no further matters, I would like to convey my best regards.

Very truly yours, (signed and initials) Antonio Valiente By Nilda Carrasquillo

cc: Canopy Ecoterra Corp., by mail Rafael Mullet. Esq. (rem@tcmrslaw.com)

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